

C. DUKES SCOTT  
EXECUTIVE DIRECTOR

1401 Main Street, Suite 900  
Columbia, SC 29201



DAN F. ARNETT  
CHIEF OF STAFF

Phone: (803) 737-0800  
Fax: (803) 737-0986

JOHN W. FLITTER  
DIRECTOR  
ELECTRIC & GAS REGULATION

June 14, 2013

**VIA ELECTRONIC FILING**

Jocelyn G. Boyd, Esquire  
Chief Clerk and Administrator  
**Public Service Commission of South Carolina**  
101 Executive Center Drive  
Columbia, South Carolina 29210

RE: Application of Duke Energy Progress, Incorporated for Approval of Electric Service Agreement with Continental Tire the Americas, LLC  
**Docket No. 2013-238-E**

Dear Ms. Boyd:

This is to acknowledge that the South Carolina Office of Regulatory Staff ("ORS") reviewed the filing in the above referenced Docket, discussed it with Duke Energy Progress, Inc. ("DEP" or the "Company") personnel, and has no objection to the filing. The Application pertains to the contract for electric service between the Company and Continental Tire the Americas, LLC ("Continental Tire"). In addition, ORS has no objection to the request for confidential treatment of certain provisions in the contract.

Continental Tire will operate a new tire manufacturing facility on a 330 acre site located in Sumter, South Carolina. This new plant is anticipated to create 1,600 new jobs when it reaches full production capacity with a projected \$500 million, plus investment in the facility.

DEP will provide electric service to this facility in accordance with an economic development package.

If the Commission approves the contract, ORS respectfully requests that the Commission include a provision in its Order requiring DEP to track any resulting foregone revenue and reserve the appropriate ratemaking treatment related to any such foregone revenue for a future rate proceeding or review as determined by the Commission.

Thank you for the opportunity to provide our comments in this matter.

Sincerely,

John W. Flitter

JWF/swh

cc: Dan F. Arnett, Chief of Staff, SC ORS  
Nanette S. Edwards, Chief Counsel and Director of Legal Services, SC ORS  
Shannon Bowyer Hudson, Esquire, SC ORS  
Courtney D. Edwards, Esquire, SC ORS  
Timika Shafeek-Horton, Deputy General Counsel, Duke Energy Progress, Inc.  
Dr. James Spearman, Executive Assistant, PSCSC